

JOURNAL
OF THE
House of Representatives
OF THE
THIRD CALLED SESSION
OF THE
Sixty-second Legislature
OF THE
STATE OF TEXAS
BEGUN AND HELD AT
THE CITY OF AUSTIN
JUNE 14, 1972



Because I am firmly convinced that a member of the Appropriations Committee serving in this Special Session and during the next interim period should be coming back for the 63rd Regular Session, I would like to respectfully submit my resignation. I believe that from my past experience a member of this Committee will probably be receiving many budget requests and will need to meet with many people who will be interested in the State budget from now and the forthcoming Regular Session. Therefore, I would appreciate it if you would appoint someone who could assume this role.

Sincerely,
HAROLD DAVIS

APPOINTMENT OF MEMBER TO STANDING COMMITTEE

The Speaker announced the appointment of Representative James Kaster of El Paso to the Committee on Appropriations.

MESSAGE FROM THE SENATE

Austin, Texas, June 14, 1972

Honorable Rayford Price
Speaker of the House of Representatives

Sir:

I am directed by the Senate to inform the House that the Senate has passed the following:

HCR 1, by Cole: Providing for a Joint Session to hear an address by the Honorable Preston Smith, Governor of Texas.

Respectfully,
CHARLES A. SCHNABEL
Secretary of the Senate

CONGRATULATORY RESOLUTIONS ADOPTED

The following Congratulatory Resolutions were adopted unanimously:

HSR 14, by Kaster: In appreciation of Brother Tarcisio Bressan.

HSR 13, by Kaster: Congratulating Miss Colleen Wall.

HSR 12, by Kaster: Commending Abraham Spector.

HCR 6, by Kaster: Congratulating the Van Horn High School Eagle Band.

ADDRESS BY GOVERNOR PRESTON SMITH

(The House of Representatives and the Senate in Joint Session)

In accordance with the provisions of SCR 1, providing for a Joint Session of the Senate and the House of Representatives at 11:00 a.m.

today, for the purpose of hearing an address by the Honorable Preston Smith, Governor of Texas, the Honorable Senators occupied seats arranged for them.

Lieutenant Governor Ben Barnes occupied a seat on the Speaker's Rostrum.

At 11:00 a.m., Lieutenant Governor Ben Barnes and Members of the Senate were announced at the Bar of the House and were admitted. The Senators occupied seats in the center aisle.

At 11:00 a.m., Governor Preston Smith, Mrs. Smith, and Mrs. Conrad Schmid, escorted by Senators McKool, Word, Beckworth, Tippen, and Wilson, Committee on the part of the Senate; and Representatives Moncrief, Newton, Walt Parker, Poerner, Presnal, Silber, Schulle, Wieting, Williamson, Cates, Boyle, and Atwood, Committee on the part of the House, were announced at the Bar of the House and, being admitted, were escorted to the Speaker's Rostrum.

Lieutenant Governor Ben Barnes called the Senate to order.

A quorum of the Senate was announced present.

The Honorable Rayford Price, Speaker of the House, called the House of Representatives to order.

Speaker Price directed all Members present to register.

A quorum of the House was announced present.

Speaker Price stated that the two Houses were in Joint Session for the purpose of hearing an address by His Excellency, Preston Smith, Governor of Texas.

Speaker Price then presented Governor Smith to the Joint Session.

Governor Smith addressed the Joint Session, speaking as follows:

Mr. Speaker, Lieutenant Governor Barnes, Members of the Legislature and Guests:

Over the past three and a half years, I have had the honor and the responsibility, as Governor of Texas, to appear before and address Joint Sessions of the Legislature on many different occasions and for many different reasons.

Despite the seriousness of the subjects which have frequently brought me to this Speaker's podium, I must say that it has been my pleasure to perform the duties required of me as Governor.

Texas will be in good hands this Third Called Session of the 62nd Legislature and in the sessions to come. The people of Texas will demand no less, and they deserve no less. The goal of our democratic system of government should be unity, not unanimity.

Regardless of our positions, regardless of the outcome of the recent primary elections, and regardless of our personal wishes and ambitions, I am hopeful that each of us can and will resolve to discharge his duties in this Special Called Session in a cooperative and constructive manner.

On May 25, nearly three weeks ago, I notified the Legislature of the date of this Special Session to allow maximum preparation time for the committees to begin their work.

This Session can and should be completed quickly, but not in haste. We must act without vengeance or ill will. And, we must serve no special interest, other than that of the people we are empowered to represent.

Much has happened since we last met in this Chamber. The highway beautification agreement has been put into effect with the U. S. Department of Transportation. As a result of our full compliance with the federal law, the State of Texas will receive this year some 24 million dollars of potentially impounded highway trust fund monies.

The State of Texas has endured the first state financed party primaries in its history. Hopefully, we have learned some lessons about how they may be better operated in years to come.

The state party conventions are now behind us, and the national conventions are less than a month ahead.

Just over two weeks ago, in an unprecedented effort to stop the unnecessary slaughter of our citizens on Texas highways, I called out selected units of the National Guard to assist the Department of Public Safety in the Memorial Day traffic safety program.

Evaluation of this effort has been completed, and the results proved beneficial. We will seriously consider utilizing similar programs on other holidays this year.

With the help of this Legislature, the State of Texas was honored to host the 64th Annual National Governors' Conference in Houston this month. On behalf of the governors, I want to thank each of you for your assistance and support in making this conference so successful.

But, let us consider where we are today. No funds are appropriated for the operation of state government beyond the last day of August. Even if I had not vetoed the second year of the funding bill which you sent me more than a year ago, a Special Session would still have been required to fund our welfare programs for the second year of the current biennium.

All of us know why we are here. There is only one emergency to which we must attend. That is the appropriation of funds for the 1973 fiscal year beginning September 1, 1972, to carry on the essential programs and services of state government.

So that there will be no doubt in anyone's mind, let me emphasize to you and to the people of Texas once again, that there will be "no new taxes" signed into law.

The subject of additional taxation will not be submitted.

Almost a year ago, on June 20, 1971, I made a commitment to the people of Texas that there would be no new taxes this year.

It was a pledge that had nothing to do with politics. And, it is a pledge which will be honored.

I have been assured that I have the support and cooperation of the Lieutenant Governor, the Speaker and the Legislative Budget Board in the adoption of a realistic no-new-taxes budget.

The State of Texas can, should and will live within its income. The budget which I am proposing today will require no new taxes, and no substantial cuts in any of the vital programs or services provided by state government.

It is not an extravagant budget. It is a realistic one with which we can live.

Even though the Regular Session omitted appropriations in 1973 for public welfare, the appropriation bill which was enacted still required a tax bill of about \$600,000,000.

If public welfare had been funded by the regular session, it would have been necessary to add an additional \$300,000,000 in new taxes at that time. The people of Texas have been spared that additional burden, and it will not be necessary to impose it now. Having passed a \$600,000,000 tax bill last June, it will not be necessary to pass another one now.

We have heard and read rumors and speculations for many weeks to the effect that even with the comptroller's increased revenue forecast, and even with the substantial savings in public welfare demands, we will still be approximately \$100,000,000 short of funding a full 12-month budget for Texas State government.

There has been strong speculation that this \$100,000,000 shortage would require a seven or eight month budget for public welfare programs, and I have said repeatedly that this was one of the alternatives which received serious consideration.

But, the budget which I recommend today is a complete budget with a full 12-month appropriation for the Department of Public Welfare, as well as for all other state departments and agencies.

This recommendation is made possible as a result of a lot of dedicated work by the Governor's Office, the Department of Public Welfare and a large number of our state agencies.

Our efforts have assured us that a new source of funds will be available in sufficient amounts to enable the full funding of our 1973 appropriations with no new taxes. These funds will come in the form of federal reimbursement for 75% of the costs of social services provided to past, present and future welfare recipients under Title 4-A of the Social Security Act.

Until now, certain obstacles have prevented the State of Texas from receiving these funds. One of the obstacles has been a federal requirement that social services can only be provided by a single state agency.

In Texas, state government programs which provide social services to eligible recipients, flow from many state agencies such as the Department of Mental Health and Mental Retardation, the State Department of Health, the Texas Youth Council, the Department of Corrections, the Texas Rehabilitation Commission, and many, many more.

In recent months, several states received waivers of the single state agency requirement. Notably, in the State of Massachusetts, this waiver resulted in approximately \$50 to \$60 million a year in reimbursement receipts from the federal government. In Illinois, the effort resulted in additional federal funds of approximately \$140,000,000 per year.

With the complete cooperation and assistance of the Department of Public Welfare staff, we began exploring the necessary steps which had to be taken in order for Texas to qualify for such funds. It soon became obvious that a real opportunity existed.

On June 1—just 14 days ago—I went to Washington along with Welfare Commissioner Raymond Vowell, and several key members of my staff, and met with a number of federal officials regarding this matter. We visited and worked with Under Secretary of HEW, John Veneman, and his staff; the Texas delegation; Senator Bentsen, Senator Tower, and Senator Russell Long, Chairman of the Senate Finance Committee; and officials of the Office of Management and Budget.

As a result of the information and encouragement we received that day, the Department of Public Welfare staff began to work intensely to finalize all the elements of our effort well in advance of June 30, the end of the federal fiscal year.

Since then, I have met personally with the directors of those state agencies which provide the bulk of state social services, and they have pledged their full support and cooperation.

Staff meetings have been held to work out the details of required agreements and contracts. We have also involved the staff of the Comptroller's Office and the Legislative Budget Board.

Recently, representatives of the Welfare Department and members of my staff met with the regional HEW staff in Dallas concerning this program. I am optimistic about this recent development, not only because of the immediate fiscal relief which it will provide, but also because of what it will mean to thousands of disadvantaged, underprivileged and handicapped Texans.

As a result of all these efforts, the State of Texas will receive approximately \$125 million between now and the end of fiscal 1973. After establishing a reserve for subsequent audits and providing for administrative costs to state agencies, an estimated \$95 million will be deposited in the General Revenue Fund.

With this in mind, I would now like to outline briefly the highlights of the state budget which I recommend to you today. My budget recommendations for fiscal 1973 from all fund sources require appropriations of 4.1 billion dollars. Recommended appropriations from the General Revenue Fund total just over \$830,000,000. Although this is not an ex-

travagant budget, it will provide vital appropriations in several areas where the need is critical to many citizens of Texas.

Over the last three years, in my work with our welfare problems, I have become convinced that our greatest hope for breaking the welfare cycle lies in working with the children of welfare families. Furthermore, the sound development of our children is probably the most important challenge that we face today. Here, there is hope and promise, if we can provide suitable opportunities for these children to grow into healthy, happy and productive citizens.

Research has proven that the early years of a child's life are the most crucial in shaping that child and determining the kind of person he will be when he grows up. It is absolutely imperative that we do whatever is necessary to insure that the 300,000 children of welfare families in Texas do not become the second and third and even fourth generation of welfare recipients.

When I first became Governor, I appointed a special task force on Early Childhood Development to propose what should be done in this important area. One of the results of the task force recommendations was the creation of the Office of Childhood Development in the Department of Community Affairs.

On December 28, 1971, in a year-end report to the people, I pledged that recommendations in the area of child development would be one of the cornerstones of my message today to this Special Session of the Legislature. Since then, I have appointed the membership of the Texas Commission on Services to Children and Youth which was created at my recommendation by the Regular Session of the 62nd Legislature. Detailed planning has begun, and interagency cooperation has been effected.

To emphasize the urgency of moving ahead in this vital program, let me cite a few facts which I believe are deserving of your attention.

In Texas, 149 counties have infant death rates higher than the national average. Twenty-four of these counties have infant death rates that are more than twice the national average. The maternal death rate in Texas is 39% higher than the national average. Of the total number of live births, in 1971, 15.7% entered the AFDC roles before their first birthday. The incidence of poverty increases as family size increases. Significantly, families of six or more constitute 42.4% of all Texas' poor. These appalling figures must move us to concrete and coordinated action.

Early Childhood Development includes a comprehensive range of services to the child and his family. A child's family is the most influential factor in his life. The child is directly affected by his family's unemployment and by inadequate housing, food or clothing. A child is affected by those parent substitutes who care for him in his home, in a neighbor's home, or in a child care center when his parents work.

I am recommending an appropriation of one million dollars for the Department of Public Welfare to develop experimental child development and day care centers.

I am recommending an appropriation of \$1.7 million for the Office of Early Childhood Development to conduct a needs study of early childhood

development in Texas, to expand the information system and to implement demonstration projects to coordinate the efforts of public and non-public agencies in delivering health and nutritional care, family planning and comprehensive early childhood development services.

In another program, aimed at improving the quality of life for poor people in Texas, I am recommending an appropriation of \$7.7 million from the General Revenue Fund to institute a statewide, state-funded food stamp program. Only 28 Texas counties now have food stamp programs. Although 11 additional counties have been approved for food stamp programs by the U. S. Department of Agriculture, the remainder have commodity programs.

While the commodity programs restrict recipients to a limited variety of bulk food stuffs with no nutritious fruits or vegetables, a state-financed statewide food stamp program would permit recipients to shop according to their dietary needs. This is of particular advantage for the elderly, infants and young people. And, we must not forget the scientific evidence that a person's diet contributes not only to his physical well-being, but also to his mental capacity.

The financial impact of food stamp programs is also significant. The program will put more Texas agricultural products into the kitchens of Texas homes. A statewide food stamp program in Texas has been estimated to add approximately \$430,000,000 a year to the state's economy. The food stamps, spent at a grocery store, become hard cash which flows from the grocery to the wholesaler and the producer. This dollar flow generates new tax resources for local communities and for the state—tax resources which will more than pay for the administrative costs of the food stamp program.

In addition, funds now spent by welfare recipients for groceries in counties without food stamp programs, would become available to them for other items—housing, clothing and other necessities.

My recommendation provides for state assumption of the operation and funding of the 28 food stamp programs presently in operation, and will allow the state to establish food stamp programs in the remainder of the counties at the rate of approximately 20 counties per month for the year. In other words, I am confident that the implementation of a statewide food stamp program would benefit every citizen of Texas—directly or indirectly.

With regard to state employees' salary benefits, I am recommending a two-step salary increase of 6.8% of all classified state employees, and proportionate increases for exempt positions. In an effort to improve the state's personnel administration policies, I moved last year to implement the Federal Intergovernmental Personnel Act of 1970 and appointed a Task Force to make a complete study of the state's existing personnel management system and to develop recommendations and alternatives for improving this system. Recommendations for improving personnel administration in state government will be made to the 63rd Legislature, but I strongly recommend that this Special Session give serious consideration to providing greater administrative flexibility in administration of salary and wage policies affecting state employees. Such policies should provide for optional merit salary increases and for the employment of personnel

above Step I of the Classification Salary Schedule. Such flexibility, similar to that afforded in our state institutions of higher learning, would permit significant improvements in personnel administration. I should also report to you today on our progress toward implementing an improved telecommunications system for Texas state government.

You will recall that during the Regular Session of the 62nd Legislature, I presented the results of a study of the communications requirements of the State of Texas. The Regular Session then authorized the Governor to enter into service contracts with the various telephone companies for a statewide telephone network called "TEX-AN." This program is now well into the implementation stage, and the Board of Control will require \$102,300 in fiscal 1973 to modify building facilities and provide administrative support.

The Office of the Governor will continue to provide the coordination and the direction for this program until it is assumed by the Board of Control on September 1, 1973, and I recommend that you incorporate language into the general provisions of the appropriations bill which will permit implementation of this improved telecommunications system.

This then is the essence of my recommendations to you. Although the single emergency for which this Session was called is to fulfill our budgetary responsibilities, several other matters deserve some comment.

I am today sending to the Senate for its advice, consent and confirmation, the names of all my interim nominees for appointments to state boards and commissions. The Texas Constitution requires that these appointments be submitted within the first ten days of the Session. I am sending them all—361 of them—on the first day so that the Senate will have ample time to thoroughly review and evaluate their qualifications and the quality of their interim service to the State of Texas.

I am confident that the Senate will base its action on these appointments on ability and proven records of performance—not upon artificial political differences.

Also deserving of comment is a situation which has brought death, destruction and despair not only to the citizens of our state, but also to many of our fellow countrymen in recent weeks. I refer to the tragedy and the unnecessary loss of life and property which has resulted from the lack of adequate flood control measures, and from the failure of existing dams. The time has passed when Texas state government or any state government can be satisfied with the current efforts to solve the problems of harnessing our rivers for water supply, flood control and recreation purposes.

With these recent tragedies fresh on our memory, I, as Governor and as Chairman of the Interagency Council on Natural Resources and the Environment, will call a special meeting of the Council to review past, present and proposed flood control efforts in our state. I will also call upon private leadership and federal and local officials to assist the council in these endeavors. Before the next Regular Session of the Legislature meets in January, 1973, the Council will have specific recommendations on how our state can further control our rivers to prevent destruction of precious lives and property.

Included in these deliberations will be consideration not only of the construction of dams at appropriate locations, but also of methods to prevent the construction of businesses and residences in areas where predictable flooding occurs. With the able assistance of the Interagency Council on Natural Resources and the Environment, the Governor's office has already undertaken a comprehensive study of the state's land resource management needs and capability. The utilization and conservation of our land will be of prime importance in the future of our state.

This study will recognize the intimate relationship between the uses and misuses of our basic land resources with virtually all significant social, economic and cultural problems confronting this dynamic state. I will be prepared to report on our progress at the Regular Session of the 63rd Legislature.

Last January, I signed an Executive Order creating the Interagency Human Resources Council. The economic health of this state depends upon the strength of its actual and potential labor force, and the primary purpose of the Human Resources Council is to formulate policy and to plan for all human resources programs in Texas. This Council will serve in an advisory capacity to the Governor and Legislature on all human resources matters. Through such coordination, Texas will be in a better position to respond to the present and future needs of all our citizens. The creation of this Interagency Council is patterned after the successful experiences which we have had with similar interagency councils in the areas of transportation, health, and natural resources.

Another development which grew from previous successful undertakings was the creation last April of the Rural Development Commission for Texas. Many of you will recall the tremendous contribution which came from the Urban Development Commission which I created soon after coming into office. In our efforts to deal with problems of rural Texas, we established the Texas Communities Tomorrow program. Although the program has made significant accomplishments, it seemed obvious that we needed a broader undertaking with citizen participation to guide our work.

It was against this background that I established the Rural Development Commission and charged it with the responsibility for examining the problems and potential of rural Texas. This Commission will consider ways that we might better achieve a rural-urban balance that will benefit not only rural areas, but also the over-crowded urban areas as well.

I have appointed 25 of the state's top business, government, and agricultural leaders to review present rural conditions, inventory all federal, state, local and private rural programs, and make recommendations for improving the quality of life for all Texans. The Commission will recommend improvements to the Governor and the 63rd Legislature of Texas.

The statewide effort of the Rural Development Commission is being supplemented by another effort which is focusing attention on that area of the state where the problems seem most acute. I have reference to a 40-county area in South Texas encompassing the five South Texas councils of government. Texas is a big state—the diversity of its people, their general well-being and the extent to which their quality of life varies is tremendous. In order to learn more about the particular problems and

opportunities of all Texans, we have sought to define four cultural basins—each of which has problems that are not accurately reflected by statewide averages.

Last January, I initiated a project which makes a new commitment to the solution of an old problem—improving the quality of life for citizens in what we have termed the Greater South Texas Cultural Basin. The Department of Labor has classified 21 counties in Texas as high unemployment counties. Eighteen of these are in the Greater South Texas Cultural Basin. While the per capita personal income in Texas is approximately 90% of the national average, the per capita income in South Texas is only 68% of the national average. And, while the incidence of poverty statewide is 21.5%, it is 35% in South Texas.

Statistics alone cannot measure the real magnitude of human needs in this South Texas area. We have met with the directors of all appropriate state agencies and with representatives of all five regional councils of government which make up this Cultural Basin. We have met in Dallas with the federal regional council and explained our proposal to them. We have been most gratified and encouraged by the offers of cooperation and assistance that we have received.

We are developing a comprehensive plan for improving the quality of life in the Greater South Texas Cultural Basin. The plan will have two primary objectives: (1) economic development and (2) improvement of governmental services.

A commission consisting of private citizens and officials of local, state and federal government agencies will assist in accomplishing these goals. The support and leadership of the Texas Legislature is imperative, if we are to succeed.

Part of the reason that this Special Session became necessary is the constitutional limitation of the Governor's budget authority. Although he may line item veto any appropriation, the Governor has no power to reduce an appropriation item. The Governor, as Chief Executive, desperately needs additional budget execution authority. I will make specific recommendations on this subject either in the course of this Session or at some future date.

There have been requests that I open the call of this Special Session to consideration of 125 other subjects. I have frankly not yet made any firm determination about whether the call will be expanded to include any of these items after the appropriations emergency is resolved. In no event will any other legislation become law until an acceptable appropriations bill has been passed.

I am not inclined, however, to open the call to any matters which are not of an emergency nature. Nor am I inclined to usurp, or to permit this Legislature to assume, the functions or prerogatives that more properly belong to the next Governor and the Legislature.

There has been public clamor for reform in state government. The reform called for by those supposedly most familiar with the legislative process are mostly superficial in nature and really do not get at the basic problems of responsibility—responsibility of the elected officials, responsibility of the public, responsibility of the news media and responsibility of our public employees. Until personal responsibility and integrity of all

concerned are coupled with structural reforms, the results will be negligible.

So—as we prepare for a most important Special Session of this, the 62nd Legislature, let us remind ourselves of our individual and collective responsibility and integrity, for which there is no substitute. This can and should be a Session in which harmony and unity prevail and in which the people's interest is the only interest that is served. If we fail to achieve that end—if we allow politics and bickering and personal feuds to undo what we could accomplish—none of us will win—and the people of Texas will lose.

I urge you, then, to join me in attempting to make this Third Called Session of the 62nd Legislature an outstanding one. Let us do our best, with the highest purposes, for the people we are obligated to serve.

OFFICE OF THE GOVERNOR
Condition of Fiscal Year 1972 Appropriations
May 31, 1972

Purpose	Amount of	Adjustments	Cumulative	Balance
General Revenue	Appropriation	\$	Expenditures	
Governor	\$ 58,500.00		\$ 43,875.00	\$ 14,625.00
Lt. Governor while Acting Governor	10,000.00		2,138.29	7,861.71
Executive Assistant	28,500.00		20,202.85	8,297.15
Administrative Assistants, Classified Salaries and Operating Expenses	992,161.00	(63,781.89)	719,784.47	208,594.64
Mansion Expenses	65,907.00	(10,000.00)	35,710.98	20,196.02
Memberships	128,000.00		124,910.00	3,090.00
National Governors Conference in Houston	350,000.00		25,000.00	325,000.00
National Conference-State Legislative Leaders	85,000.00			85,000.00
Division of Planning Coordination Operating Expenses	641,489.00	(5,817.60)	311,632.60	324,088.80
Regional Planning Grants	1,600,000.00		1,502,757.37	97,242.63
Deficiency Grants	200,000.00	(108,995.00)	5,000.00	86,005.00
National Guard Troops	150,000.00	(7,300.00)		142,700.00
Brazos River Authority	300,000.00			300,000.00
Comprehensive Health Planning	128,102.00	(25,000.00)		103,102.00
Criminal Justice Council Planning	62,500.00			62,500.00
Office of Information Services	868,582.00	(31,966.00)	541,188.22	295,427.78
Committee on Aging	25,000.00	23,000.00	32,842.22	15,157.78
Committee on Human Relations	60,214.00		35,502.51	24,311.49
Southern Interstate Nuclear Board	10,000.00		10,000.00	
Subtotal, General Revenue	\$ 5,763,955.00	(\$ 229,860.49)	\$ 3,410,944.51	\$ 2,123,150.00
Other Funds				
Traffic Safety, Fund 29	\$ 1,500,000.00	(\$1,500,000.00)	\$	\$
Committee on Aging, Fund 134	532,197.65	31,648.34	492,694.17	71,151.82
Federal Projects, Fund 224	767,254.51	23,183.60	434,790.90	355,647.21
Criminal Justice, Fund 421	17,824,097.57	3,384.86	14,501,147.74	3,326,334.69
Subtotal, Other Funds	\$20,623,549.73	(\$1,441,783.20)	\$15,428,632.81	\$ 3,753,133.72
TOTAL	\$26,387,504.73	(\$1,671,643.69)	\$18,839,577.32	\$ 5,876,283.72